



Arnold Schwarzenegger, Governor  
State of California  
Business, Transportation and Housing Agency

**Department of Managed Health Care**  
980 Ninth Street, Suite 500  
Sacramento, CA 95814-2725  
(916) 323-0435 -Phone  
(916) 323-0438 -Fax  
enforcement@dmhc.ca.gov

October 31, 2008

**DELIVERED VIA U.S. MAIL**

Marlene Ma  
Counsel  
Kaiser Foundation Health Plan, Inc.  
2101 Webster Street, 8<sup>th</sup> Floor  
Oakland, California 94612

RECEIVED  
DEPT OF  
MANAGED HEALTH CARE  
ACCOUNTING OFFICE  
2008 NOV - 7 PM 1:33

**RE: Complaint Number: 360574**  
**Enforcement Matter Number: 08-167**

**LETTER OF AGREEMENT**

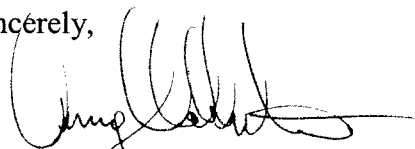
Dear Ms. Ma:

The Office of Enforcement of the Department of Managed Health Care (the Department) has completed its investigation of the violation by Kaiser Foundation Health Plan, Inc. (Kaiser or Plan) of Health and Safety Code section 1368.01(a) and California Code of Regulations, title 28, section 1300.68(d)(3).

In this matter, the member filed a grievance with Kaiser on June 30, 2007, regarding its policy of requiring an on-site escort for a colonoscopy. In her letter, the member offered to pay for transportation if it meant she could undergo a colonoscopy. On July 20, 2007, Kaiser denied the member's grievance, stating that non-emergency transportation to and from a colonoscopy was not a covered benefit. However, as indicated in the member's letter, she was ~~requesting~~<sup>willing</sup> to purchase transportation to and from the procedure, not requesting Kaiser to cover it. In this respect, Kaiser failed to adequately consider the member's grievance, a violation of Health and Safety Code section 1368(a)(1) and California Code of Regulations, title 28, section 1300.68(d)(3).

The Plan has acknowledged its failure to comply with the Knox-Keene Health Care Service Plan Act of 1975, as amended (California Health and Safety Code section 1340, et seq.), in this matter. The Department has determined that an administrative penalty of \$2,500.00 is warranted, and the Plan has agreed to pay the penalty.

Sincerely,



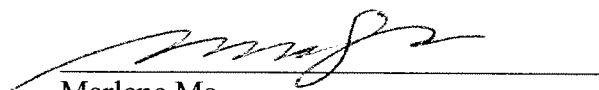
Amy L. Dobberteen  
Assistant Deputy Director  
Office of Enforcement

ALD:cml

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**Accepted by Kaiser Foundation Health Plan, Inc.**

Date: 11/5/2008



Marlene Ma  
Counsel  
Kaiser Foundation Health Plan, Inc.